

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, December 3, 2012, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor Dennis Phillips
Alderman John Clark
Alderman Valerie Joh
Alderman Mike McIntire

Vice-Mayor Tom C. Parham
Alderman Tom Segelhorst
Alderman Jantry Shupe
(arrived at 5:25 p.m.)

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Phillips.
2. **ROLL CALL:** By City Clerk Angie Marshall.
3. **WORK SESSION TICKLER.** Mayor Phillips confirmed that the carousel, winery and golf maintenance building would be added to the tickler. He also mentioned the Mayor's Youth Council toured the Aquatic Center today and asked BMA members to come to their next meeting in January. Assistant to the City Manager Chris McCartt gave an update on what was left to finish at the Farmer's Market, noting it was mainly odds and ends. He also provided long-term goals for the facility once the carousel has been located there. The mayor asked board members if there was an interest in exploring the possibility of purchasing the State Theater, if Northeast State might have a use for it, noting he has received calls concerning this structure and its importance to downtown development. Public Works Director Ryan McReynolds pointed out work was still moving forward on Gibson Mill. Alderman Joh commented the Visitor's Center was looking good and asked about the progress of the land acquisition for the carousel. City Manager Campbell stated staff has been talking to Food City and they are still working out the details.
4. **PROCLAMATION FOR MARY CUNNINGHAM.** Ms. Cunningham was not present.
5. **REVIEW AND DISCUSSION OF PROPOSED 2013 JOINT LEGISLATIVE POLICY OF THE TRI-CITIES.** Director of Community and Government Relations Tim Whaley stated this initiative began more than ten years ago so each city could work on common ground by streamlining the process and fostering cooperation. He then provided details on the items that will be presented to the legislature and answered questions from the Board. City Attorney Billingsley also pointed out some issues that should be addressed such as higher limits of liability for government as a result of the Washington County school bus accident. He also made the BMA aware of ongoing litigation in Shelby County/Memphis regarding schools, particularly enjoining cities from a starting school district.
6. **DISCUSSION OF AQUATIC CENTER FEES.** Assistant to the City Manager Chris McCartt provided information on this item, noting the Advisory Board spent a lot of time

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discussing this issue. He provided background information and gave details on the recommended category structure for the new fees. Passes will be available either daily, for a three month period or on an annual basis (which can be paid monthly). Prices will be broken down by adults (twenty-two years old and above), youth (ages three to twenty-one), kids (less than two years old), family (two adults plus children) and seniors (over fifty years old). He discussed the financial impact and answered questions from Board members. Mr. McCartt stated that Kingsport has a history of exceeding expectations for new projects and the key will be to sustain the initial momentum. He then outlined the path forward, noting the fee schedule will need to be amended.

7. REVIEW OF AGENDA ITEMS ON THE DECEMBER 4, 2012 REGULAR BUSINESS MEETING AGENDA. City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

NOTE: *Item VI.D.3 was discussed first, followed by VI.B.1, to accommodate those present in the audience.*

VI.AA.1 Public Hearing and Consideration of Ordinances to Annex/Amend the Zoning of the North Kingsport Area 1 Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 341-2012). City Planner Ken Weems presented this item, noting it is being requested by the property owner because of city schools. Mr. Weems confirmed the Planning Commission sent a positive recommendation supporting this item. He stated there is no sanitary sewer service to the property but the resident is not requesting it. Mayor Phillips asked if the property changed hands and the new owner wanted sewer would the city be required to provide it. Mr. Weems replied no, it would be at the discretion of the BMA. Some discussion followed on future annexations and Vice-Mayor Parham stated the board needed to sit down and discuss the plan.

VI.B.1 Consideration of An Ordinance Transferring Funds to the J. Fred Johnson Stadium Project to Fund Phase I and Phase II (AF: 129-2012). City Manager Campbell stated that after the last meeting, the BMA agreed to move forward with the schematic design for this project. He noted funds were available from a past bond issue that is not moving forward at this time and there would still be a balance in that original project's fund. City Recorder Demming confirmed for the mayor this was an acceptable practice. Mr. Campbell pointed out that this step would give a much more accurate cost analysis for the project. Considerable discussion followed regarding the uncertainty of needing to sell bonds in the spring to move forward with this project, as there is a sense of urgency to finish before next football season. Alderman Shupe commented we should wait until the time is right and finish projects that have already been promised first. Alderman McIntire suggested waiting to move forward with this until next year. Vice-Mayor Parham commented we could go ahead with the estimate and then be involved with the upcoming Capital Improvement Process to get a better idea of ongoing projects and the debt roll-off.

NOTE: *Alderman Joh left the meeting at this time (6:20 p.m.)*

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VI.D.1 Consideration of a Resolution Approving the Purchase of Right-of-Way and Easements on the Steven and Kasey Thrift Property for Phase II of the Cleek Road Improvement Project (AF: 342-2012). City Manager Campbell gave details on this item, noting this was the property holding up this project; however a reasonable settlement has now been reached. Public Works Director Ryan McReynolds stated the notice to proceed has already been issued and plans have been made to close Cleek Road a week from Monday. Mr. Campbell pointed out the contractor was fairly aggressive and wants to finish in seven to eight months, even though they have a year to complete it.

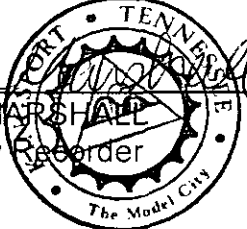
VI.D.3 Consideration of a Resolution Approving an Allocation to the Meadowview Conference Resort and Convention Center Budget and Authorizing the Mayor to Sign an Agreement Regarding Such Allocation (AF: 344-2012). Mr. Andy King, General Manager at Meadowview Convention and Conference Center presented this item, stating that Marriott is requiring the lobby to be renovated, noting it is the only area in the hotel that has never been updated in sixteen years. Mr. King pointed out the optimal time to proceed would be January through March when the hotel has the fewest customers to be affected. He provided a diagram of the proposed changes and described the furniture and fixture ideas, which would include a revolving door. The cost is estimated at \$932,000. Eastman Chemical has agreed to pay for two-thirds of the project if the city will pay for one-third. They have also agreed to fund the project initially so it can get started and the city can pay its share back. Mayor Phillips commented this renovation is mandated by Marriott's stringent expectations but pointed out the issues present when both the public and private sectors are involved in a project. The city has to bid out anything over \$50,000, whereas private industries do not. The mayor asked for approval from the city attorney, stating he must be comfortable with the arrangement before going further.

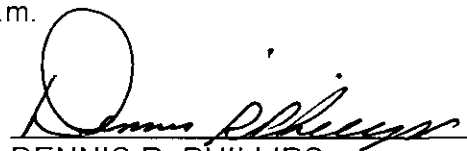
BOARD COMMENT. Mayor Phillips announced the employee's Christmas lunch scheduled for tomorrow at 11:00 a.m. at the Civic Auditorium.

PUBLIC COMMENT. Ms. Jeannie Bourne commented on other cities that have redone their theaters and suggested using them as a possible resource.

10. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:35 p.m.


ANGELA MARSHALL
Deputy City Recorder




DENNIS R. PHILLIPS
Mayor